

An Insurer Is Required to Submit Fraudulent Claims to the Fraud Unit.

The insurance company's responsibilities in submitting suspected fraudulent claims to the Fraud Unit

Arizona law requires that any insurer who suspects a claim is fraudulent is required to make a fraud referral to the Arizona Department of Insurance Fraud Unit in a form prescribed by the Director of Insurance. The specific statutes are listed below:

Arizona Revised Statute § 20-466.F states:

An insurer that believes a fraudulent claim has been or is being made shall send to the director, on a form prescribed by the director, information relative to the claim including the identity of parties claiming loss or damage as a result of an accident and any other information the fraud unit may require. The director shall review the report and determine if further investigation is necessary, the director may conduct an independent investigation to determine if fraud, deceit or intentional misrepresentation in the submission of the claim exists. If the director is satisfied that fraud, deceit or intentional misrepresentation of any kind has been committed in the submission of a claim, the director may report the violations of the law to the reporting insurer, to the appropriate licensing agency as defined in Section 20-466.04 and to the appropriate county attorney or the attorney general for prosecution

Arizona Revised Statute § 20-466.H states:

A person, or an officer, employee or agent of the person acting within the scope of employment or agency of that officer, employee or agent, who in good faith files a report or provides other information to the fraud unit pursuant to this section is not subject to civil or criminal liability for reporting that information to the fraud unit

Two methods of referring claims to the Fraud Unit

1. Complete the Fraud Referral Form and a) mail it to the address shown above, or b) fax the form to 602-912-8419.
2. If you are a member of the National Insurance Crime Bureau (NICB) you may have the referrals you submit to them copied to the Arizona Department of Insurance Fraud Unit. NICB offers insurers the option of sending a copy of their referrals to the appropriate State Department of Insurance. Simply indicate in the box provided that you would like to have your referral copied to Arizona Department of Insurance Fraud Unit.

Notice of Penalty for false or fraudulent claim forms

Insurers are required to include substantially the following statement on their claim forms, *in at least 12 point type*:

For your protection, Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.”

A.R.S. § 20-466.03

Contacting the Fraud Unit about your referrals

Our investigators will contact the person indicated on your referrals about your claims to obtain more information, copy of claims files, etc. When the investigator has completed the investigation you will receive a letter from us advising you of the disposition of the case. Of course any time during this process you are invited to call our office with any questions or concerns about your referrals or the referral process.

Your referrals are vital in the combat against insurance fraud

The referrals submitted to us by the insurance industry have assisted the Fraud Unit in fighting insurance fraud. With your help and the help of the prosecutors, numerous suspects have been indicted and convicted. In addition, the total amount of restitution ordered is growing rapidly.